



THE AMERICAN INDIA FOUNDATION

Financial Statements and
Supplementary Information

March 31, 2018 and 2017

(With Independent Auditors' Report Thereon)



KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Directors
The American India Foundation:

We have audited the accompanying financial statements of The American India Foundation, which comprise the statement of financial position as of March 31, 2018, and the related statement of activities, and cash flows for the year then ended, and the related notes to the financial statements. The accompanying financial statements of The American India Foundation as of March 31, 2017, were audited by other auditors whose report thereon dated September 14, 2017, expressed an unmodified opinion on those financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The American India Foundation as of March 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.



Other Matter

Our audit was conducted for the purpose of forming an opinion on the 2018 financial statements as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the 2018 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2018 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 financial statements or to the 2018 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2018 financial statements as a whole.

KPMG LLP

New York, New York
February 12, 2019

THE AMERICAN INDIA FOUNDATION

Statements of Financial Position

March 31, 2018 and 2017

Assets	2018	2017
Cash and cash equivalents (note 4)	\$ 1,324,996	1,697,392
Investments (note 3)	4,585,304	4,321,889
Unconditional promises to give (note 5)	1,890,431	432,418
Advance to The American India Foundation Trust (AIFT)	—	279,813
Prepaid expenses and other assets	195,095	93,509
Property and equipment, net of accumulated depreciation (note 6)	18,577	39,298
Total assets	<u>\$ 8,014,403</u>	<u>6,864,319</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 686,212	277,368
Grants payable – AIFT	55,688	—
Refundable event receipts	243,300	169,010
Refundable deposits held	33,150	16,750
Total liabilities	<u>1,018,350</u>	<u>463,128</u>
Net assets:		
Unrestricted	1,747,972	1,591,074
Temporarily restricted (note 8)	4,648,081	4,210,117
Permanently restricted (note 8)	600,000	600,000
Total liabilities and net assets	<u>\$ 8,014,403</u>	<u>6,864,319</u>

See accompanying notes to financial statements.

THE AMERICAN INDIA FOUNDATION

Statements of Activities

Years ended March 31, 2018 and 2017

	2018				2017			
	Unrestricted	Temporarily restricted	Permanently restricted	Total	Unrestricted	Temporarily restricted	Permanently restricted	Total
Change in net assets:								
Support and revenue:								
Contributions and grants	\$ 828,366	1,635,234	—	2,463,600	572,557	1,050,786	—	1,623,343
Benefit income	5,465,468	971,599	—	6,437,067	4,179,403	995,756	—	5,175,159
Less direct benefit expenses	(1,096,107)	—	—	(1,096,107)	(842,139)	—	—	(842,139)
Net investment income	49,361	—	—	49,361	27,107	—	—	27,107
Other income	277,057	—	—	277,057	64,960	—	—	64,960
	<u>5,524,145</u>	<u>2,606,833</u>	<u>—</u>	<u>8,130,978</u>	<u>4,001,888</u>	<u>2,046,542</u>	<u>—</u>	<u>6,048,430</u>
Net assets released from restriction:								
Satisfaction of time and program restrictions	2,168,869	(2,168,869)	—	—	3,304,094	(3,304,094)	—	—
Total support and revenue	<u>7,693,014</u>	<u>437,964</u>	<u>—</u>	<u>8,130,978</u>	<u>7,305,982</u>	<u>(1,257,552)</u>	<u>—</u>	<u>6,048,430</u>
Expense:								
Program services:								
Education	1,161,305	—	—	1,161,305	1,339,260	—	—	1,339,260
Livelihood	1,107,983	—	—	1,107,983	1,360,438	—	—	1,360,438
Public health	875,294	—	—	875,294	691,373	—	—	691,373
Digital equalizer	1,300,050	—	—	1,300,050	1,125,832	—	—	1,125,832
Clinton fellows	943,307	—	—	943,307	882,520	—	—	882,520
Engage, Educate, Inform, and Involve (EElI)	650,632	—	—	650,632	620,762	—	—	620,762
Total program services	<u>6,038,571</u>	<u>—</u>	<u>—</u>	<u>6,038,571</u>	<u>6,020,185</u>	<u>—</u>	<u>—</u>	<u>6,020,185</u>
Support services:								
Management and general	512,786	—	—	512,786	554,404	—	—	554,404
Fundraising	984,759	—	—	984,759	1,002,531	—	—	1,002,531
Total supporting services	<u>1,497,545</u>	<u>—</u>	<u>—</u>	<u>1,497,545</u>	<u>1,556,935</u>	<u>—</u>	<u>—</u>	<u>1,556,935</u>
Total expenses	<u>7,536,116</u>	<u>—</u>	<u>—</u>	<u>7,536,116</u>	<u>7,577,120</u>	<u>—</u>	<u>—</u>	<u>7,577,120</u>
Increase (decrease) in net assets	156,898	437,964	—	594,862	(271,138)	(1,257,552)	—	(1,528,690)
Net assets, beginning of the year	<u>1,591,074</u>	<u>4,210,117</u>	<u>600,000</u>	<u>6,401,191</u>	<u>1,862,212</u>	<u>5,467,669</u>	<u>600,000</u>	<u>7,929,881</u>
Net assets, end of the year	\$ <u>1,747,972</u>	<u>4,648,081</u>	<u>600,000</u>	<u>6,996,053</u>	<u>1,591,074</u>	<u>4,210,117</u>	<u>600,000</u>	<u>6,401,191</u>

See accompanying notes to financial statements.

THE AMERICAN INDIA FOUNDATION

Statements of Cash Flows

Years ended March 31, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 594,862	(1,528,690)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation	26,829	9,004
Unrealized loss (gain) on investments	27,282	(2,037)
Bad debt expense	—	33,884
Changes in assets and liabilities:		
Unconditional promises to give	(1,458,013)	273,457
Advance to AIFT	279,813	(279,813)
Prepaid expenses and other assets	(101,586)	79,286
Accounts payable and accrued expenses	408,844	(21,864)
Grant payable – AIFT	55,688	(263,688)
Refundable event receipts	74,290	(26,817)
Refundable deposits held	16,400	10,000
Net cash used in operating activities	(75,591)	(1,717,278)
Cash flows from investing activities:		
Purchase of property and equipment	(6,108)	(9,302)
Purchases of investments	(4,314,723)	(1,932,211)
Proceeds from sale of investments	4,024,026	1,805,880
Net cash used in investing activities	(296,805)	(135,633)
Net decrease in cash and cash equivalents	(372,396)	(1,852,911)
Cash and cash equivalents, beginning of year	1,697,392	3,550,303
Cash and cash equivalents, end of year	\$ 1,324,996	1,697,392

See accompanying notes to financial statements.

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

(1) Organization

The American India Foundation (AIF or the Organization) is a not-for-profit organization formed to provide financial, technological, and managerial resources toward helping the people of India realize their full potential and strengthening the bonds between the United States of America and India.

In January 2016, AIF updated its memorandum of understanding (MOU) with The American India Foundation Trust (the Trust or AIFT) located in India. The MOU includes licensing and general grant administration agreements. The Trust will carry out developmental activities with funds provided by AIF. AIF and the Trust do not share any common members on their respective boards of directors, and accordingly, the transactions of the Trust have not been included in the accompanying financial statements.

Grants to the Trust from AIF to support program-related expenses totaled \$1,794,442 and \$2,190,357 for the years ended March 31, 2018 and 2017, respectively (note 7). The outstanding (grant payable) advance to the Trust was (\$55,688) and \$279,813 as of March 31, 2018 and 2017, respectively.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The Organization's financial statements have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Net assets and the changes therein are classified and reported as follows:

- Unrestricted net assets – net assets that are not subject to donor-imposed restrictions or the donor-imposed restrictions have expired.
- Temporarily restricted net assets – net assets subject to donor-imposed restrictions that will be met by actions of the Foundation and/or the passage of time.
- Permanently restricted net assets – net assets that are subject to donor-imposed restrictions that they be maintained permanently by AIF and only the income be used as specified by the donor.

Revenues are reported as increases in unrestricted net assets unless their use is limited by explicit donor-imposed restrictions or by law. Expenses are reported as decreases in unrestricted net assets.

(b) Fair Value Measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted or published market prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

All of the Organization's marketable investments are classified within Level 1 (prices in active markets for identical assets or liabilities) of the fair value hierarchy.

The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement.

(c) Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents, except for those short-term investments and cash managed by AIF's investment managers as part of their long-term investment strategies.

(d) Investments

The Organization reflects its marketable investments at fair value in the statements of financial position. Restricted stock is reflected at the appraised value at the time of donation. Interest, dividends, and gains and losses on investments are reflected in the statements of activities as increases and decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law.

Purchases and sales of investments reflected in the statements of cash flows are reported net of short-term investments with maturities of three months or less.

(e) Property and Equipment

Property and equipment acquired are recorded at cost and are depreciated using the straight-line method over the estimated useful life of the related asset ranging from three to five years.

(f) Contributions and Unconditional Promises to Give

The Organization reports contributions received as unrestricted, temporarily restricted, or permanently restricted depending on the existence and/or nature of any donor restrictions. Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets.

AIF received 36% of its contributions from one foundation during the year ended March 31, 2018.

The Organization determines an allowance for uncollectible promises to give, if any, based on prior years' experience and management's analysis of specific promises made.

(g) Functional Allocation of Expenses

The cost of providing the various program and supporting services has been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and the supporting services benefited.

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

(h) Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and revenues and expenses recognized during the reporting period. Significant estimates made in the preparation of the financial statements include the net realizable value of contributions and functional expense allocations. Actual results could differ from those estimates.

(i) Income Taxes

AIF is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation. AIF recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Income generated from activities unrelated to the Foundation's exempt purpose is subject to tax under Internal Revenue Code Section 511. The Foundation did not recognize any unrelated business income tax liability for the years ended March 31, 2018 and 2017.

(j) New Authoritative Accounting Pronouncements

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, which among other things, changes how not-for-profit entities report net asset classes, expenses, and liquidity in their financial statements. The significant requirements of the ASU include the reduction of the number of net asset classes from three to two: with donor restrictions and without donor restrictions; the presentation of expenses by their function and their natural classification in one location; quantitative and qualitative information about the management of liquid resources and availability of financial assets to meet cash needs within one year of the date of the statement of financial position; and retaining the option to present operating cash flows in the statements of cash flows using either the direct or indirect method. The ASU is effective for AIF's 2019 fiscal year.

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 helps an entity evaluate whether it should account for a grant (or similar transaction) as a contribution or as an exchange transaction. The ASU also clarifies and expands the criteria for determining whether a contribution is conditional, which may delay recognition of contribution revenue (recipient) or expense (resource provided). The provisions in this ASU are effective for annual periods beginning after June 15, 2018. AIF is in the process of evaluating the impact of the ASU. AIF plans to implement the provisions of ASU 2018-08 for the fiscal year 2020.

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

(3) Investments

Investments consist of the following as of March 31:

	2018	2017
Cash and money market funds	\$ 318,635	543,366
Certificates of deposit	2,405,071	1,959,433
Government securities	670,469	664,048
Municipal bonds	250,768	244,581
Corporate bonds	451,017	430,266
Mutual funds	431,997	422,845
Equities	7	10
Investments, Level 1, carried at fair value	4,527,964	4,264,549
Restricted stock, valued at appraised value at time of donation	57,340	57,340
	\$ 4,585,304	4,321,889

In fiscal year 2012, AIF received a donation of stock in a privately held company, which is not marketable. The shares are reflected at the appraisal value at the date of donation. Sale of this stock is subject to restrictions.

Net investment income is summarized as follows for the years ended March 31:

	2018	2017
Interest and dividend income	\$ 76,643	25,070
Unrealized (loss) gain on investments	(27,282)	2,037
	\$ 49,361	27,107

(4) Concentration of Credit Risk

AIF maintains cash and cash equivalent balances in financial institutions, which, from time to time, may exceed the FDIC limit and subject AIF to concentration of credit risk.

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

(5) Promises to Give

Unconditional promises to give as of March 31, 2018 and 2017 are summarized as follows:

	2018			2017		
	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Total</u>
Less than one year	\$ 1,143,322	138,974	1,282,296	427,917	4,501	432,418
One to three years	—	635,636	635,636	—	—	—
Less discount to present value	—	(27,501)	(27,501)	—	—	—
Total	<u>\$ 1,143,322</u>	<u>747,109</u>	<u>1,890,431</u>	<u>427,917</u>	<u>4,501</u>	<u>432,418</u>

Unconditional promises to give that are due in more than one year are discounted to net present value using a rate of 3%.

(6) Property and Equipment

Property and equipment includes the following as of March 31, 2018 and 2017:

	<u>Life</u>	<u>2018</u>	<u>2017</u>
Computer equipment	Three–five years	\$ 89,498	83,390
Website	Three years	50,507	50,507
		140,005	133,897
Less accumulated depreciation		(121,428)	(94,599)
		<u>\$ 18,577</u>	<u>39,298</u>

(7) Grant-Making Activities

AIF provides grants to reputable Indian nongovernmental organizations (NGOs) that are executing development projects in India. The initial focus of the grant-making activities was to provide relief and rehabilitation assistance to victims of the Gujarat earthquake. The grant-making activities have since expanded to focus on accelerating social and economic development in all of India.

AIF enters into MOUs with the NGOs. The NGOs are responsible for carrying out developmental activities with funds provided by AIF, and, if applicable, with matching contributions provided by other organizations. The amounts due to the NGOs are generally payable in installments based on certain criteria and/or milestones achieved, as contained within the MOU. If, at any stage, AIF is not satisfied with the quantity or quality of the work on the project, it can withhold payment. Therefore, the unpaid balance is not reflected in these financial statements.

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

AIF awarded grants and incurred expenses in administrating such grants. The grants were awarded in the following areas:

	2018	2017
Grants awarded (including donor-advised fund awards):		
Education	\$ 590,806	608,904
Livelihood	532,255	493,502
Public health	310,639	221,618
Digital equalizer	228,168	28,800
	1,661,868	1,352,824
Grants awarded to AIFT:		
Education	194,216	306,309
Livelihood	273,081	559,517
Public health	302,160	233,743
Digital equalizer	742,845	813,945
Clinton Fellows	282,140	276,843
	1,794,442	2,190,357
	\$ 3,456,310	3,543,181

MOUs are written in which each installment to be paid to an NGO is contingent upon the NGO's compliance with the requirements. The contingent balance of these MOUs as of March 31, 2018, which has not been accrued, amounted to:

Livelihood	\$ 296,067
Education	142,626
Public health	299,782
	\$ 738,475

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

(8) Restrictions on Assets

(a) Temporarily Restricted Net Assets

Temporarily restricted net assets as of March 31, 2018 and 2017 are restricted for the following purposes:

	<u>2018</u>	<u>2017</u>
Public health	\$ 2,539,177	2,083,144
Donor-advised funds	387,853	708,035
Livelihood	423,375	366,759
Gender program	117,978	361,955
Learning and migration program	196,739	284,906
Digital equalizer	519,375	238,466
Chennai flood fund	49,639	84,960
Uttarakhand relief fund	50,805	35,615
Kashmir flood fund	8,786	22,101
Education	42,234	12,052
Future periods	4,501	9,501
IIMPACT	42,570	2,321
Priya Haji memorial fund	—	302
Clinton Fellow – Hans Foundation	127,599	—
Taplin Friend's Fund	2,450	—
NY Gala	50,000	—
Advocacy	85,000	—
	<u>\$ 4,648,081</u>	<u>4,210,117</u>

(b) Endowment Funds

The Organization's endowment consists of two funds established for general support. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Consistent with New York Prudent Management of Institutional Funds Act (NYPMIFA), the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of any applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization.

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

In accordance with NYPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (i) The duration and preservation of the endowment fund
- (ii) The purposes of the Organization and the endowment fund
- (iii) General economic conditions
- (iv) The possible effect of inflation or deflation
- (v) The expected total return from income and the appreciation of investments
- (vi) Other resources of the Organization
- (vii) Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Organization
- (viii) The investment policy of the Organization.

The Organization's endowment funds consist of donor-restricted endowment funds and are classified as permanently restricted net assets.

Changes in the Organization's endowment funds for the years ended March 31, 2018 and 2017 are summarized as follows:

	2018		
	Unrestricted	Permanently restricted	Total
Endowment funds, beginning of year	\$ —	600,000	600,000
Investment return (loss):			
Investment income	6,746	—	6,746
Net unrealized loss on investments	(998)	—	(998)
Total investment return	5,748	—	5,748
Appropriation of endowment assets to operations	(5,748)	—	(5,748)
Endowment funds, end of year	\$ —	600,000	600,000

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

	2017		
	Unrestricted	Permanently restricted	Total
Endowment funds, beginning of year	\$ —	600,000	600,000
Investment return:			
Investment income	1,651	—	1,651
Net unrealized loss on investments	179	—	179
Total investment return	1,830	—	1,830
Appropriation of endowment assets to operations	(1,830)	—	(1,830)
Endowment funds, end of year	\$ —	600,000	600,000

The primary investment objective of AIF is to preserve and protect its assets by earning a total return for each fund appropriate to each fund's time horizon, liquidity needs, and risk tolerance. AIF seeks to eliminate any excess interest rate risk by limiting the type and the time horizons of its investments.

(i) *Asset Quality*

Fixed-income securities – The quality rating of bonds and notes must be “A” or better, as rated by Standard & Poor's and Moody's. The portfolio may consist of only transitional principal and interest obligations (no derivatives) with maturities of seven years or less.

Cash/cash equivalents – The quality rating of commercial paper must be A-1, as rated by Standard & Poor's; P-1, as rated by Moody's; or better. The assets of any money market mutual funds must comply with Rule 2a-7.

AIF has taken a conservative view of protecting capital and has been primarily investing in money markets, corporate bonds, and Federal Depository Insurance Corporation (FDIC) insured Certificate of Deposits based on the guidelines set by the Finance Committee.

The Organization has a policy of appropriating 100% of endowment earnings.

(9) Commitments

AIF leases office space in New York. The lease expires on April 30, 2020. The lease provides for minimum annual payments as follows:

Year ending March 31:	
2019	\$ 190,497
2020	195,736
2021	16,348

Rent expense for the years ended March 31, 2018 and 2017 was \$185,948 and \$182,663, respectively.

THE AMERICAN INDIA FOUNDATION

Notes to Financial Statements

March 31, 2018 and 2017

(10) Subsequent Events

In connection with the preparation of the financial statements, AIF evaluated subsequent events from March 31, 2018 through February 12, 2019, which was the date the financial statements were approved for issuance, and concluded that no additional disclosures are required.

THE AMERICAN INDIA FOUNDATION

Schedule of Functional Expenses

Year ended March 31, 2018, with comparative totals for year ended March 31, 2017

Expenses	Program services							Support services			2018	2017
	Education	Livelihood	Public health	Digital equalizer	Clinton Fellows	Engage, Educate Inform, and Involve (EEII)	Total	Management and general	Fundraising	Total	Total expenses	Total expenses
Grants – direct to NGOs	\$ 564,159	532,255	310,639	—	—	—	1,407,053	—	—	—	1,407,053	1,225,010
Grants – donor-advised funds	26,647	—	—	228,168	—	—	254,815	—	—	—	254,815	127,814
Program related expenses – AIFT	194,216	273,081	302,160	742,845	282,140	—	1,794,442	—	—	—	1,794,442	2,190,357
Specific programs-related expenses	—	—	—	—	118,338	—	118,338	—	—	—	118,338	255,522
Direct benefit expenses	—	—	—	—	—	—	—	—	1,096,107	1,096,107	1,096,107	842,139
Salaries	218,423	172,532	151,969	191,031	242,921	241,829	1,218,705	304,797	179,040	483,837	1,702,542	1,649,274
PR taxes and fringe benefits	71,756	62,642	52,709	64,942	79,634	81,708	413,391	92,363	63,712	156,075	569,466	443,872
Occupancy	25,709	20,308	17,887	22,485	28,593	94,649	209,631	35,876	21,074	56,950	266,581	197,354
Professional fees	14,286	11,284	9,939	12,494	15,888	15,817	79,708	19,935	11,710	31,645	111,353	122,046
Consulting fees	4,753	3,754	3,307	4,157	19,361	20,412	55,744	6,632	79,326	85,958	141,702	219,157
Telephone and internet	4,033	3,186	2,807	3,527	4,781	4,490	22,824	5,628	26,604	32,232	55,056	41,290
Office supplies and related exp.	3,360	3,694	1,639	2,447	28,081	19,013	58,234	2,955	132,343	135,298	193,532	117,869
Repairs and maintenance	2,577	2,035	1,793	2,254	2,865	2,852	14,376	3,595	2,112	5,707	20,083	18,428
Travel, entertainment, and lodging	5,537	4,373	3,852	4,842	77,725	12,955	109,284	7,726	28,086	35,812	145,096	174,707
Cultivation, digital, and young professional events	3,651	2,884	2,540	3,193	4,060	98,248	114,576	5,094	2,992	8,086	122,662	166,647
Leadership retreat – travel and lodging	—	—	—	—	—	36,296	36,296	—	—	—	36,296	—
Indirect benefit expense	—	—	—	—	—	—	—	—	406,631	406,631	406,631	435,610
Depreciation	3,442	2,719	2,395	3,010	3,828	3,811	19,205	4,803	2,821	7,624	26,829	9,004
Bad debts	—	—	—	—	—	—	—	—	—	—	—	33,884
Miscellaneous	18,756	13,236	11,658	14,655	35,092	18,552	111,949	23,382	28,308	51,690	163,639	149,275
Subtotal	1,161,305	1,107,983	875,294	1,300,050	943,307	650,632	6,038,571	512,786	2,080,866	2,593,652	8,632,223	8,419,259
Less direct benefit expenses	—	—	—	—	—	—	—	—	(1,096,107)	(1,096,107)	(1,096,107)	(842,139)
Total expenses	\$ 1,161,305	1,107,983	875,294	1,300,050	943,307	650,632	6,038,571	512,786	984,759	1,497,545	7,536,116	7,577,120
Total expenses – 2017	\$ 1,339,260	1,360,438	691,373	1,125,832	882,520	620,762	6,020,185	554,404	1,002,531	1,556,935	—	7,577,120

See accompanying independent auditors' report.